From: bob

To: Microsoft ATR

Date: 1/23/02 2:15pm

Subject: Microsoft Settlement

Renata B. Hesse Antitrust Division U.S. Department of Justice 601 D Street NW Suite 1200 Washington, DC 20530-0001

Dear Sirs,

The Problem:

Your proposed settlement with Microsoft does not address the problems for consumers and suppliers of IT products and services caused by Microsoft's illegal actions.

In fact your proposed settlement is little more than a description of the current business practices of Microsoft Corporation. Requiring Microsoft to publish the APIs to the Windows platform has been Microsoft's policy for many years. So it fails the test of whether Microsoft is being punished for its past illegal actions, and fails to control Microsoft from pursuing similar strategies in the future. Publishing APIs simply enables other software companies to build products that run on Microsoft products thereby making those products more successful in the marketplace.

The Solution:

There is only one remedy that will work to empower consumers of technology, to restrain Microsoft's anti-competitive behavior in future, and to protect Microsoft's ability to continue to compete in the market. That is to require Microsoft to publish the source code to their products that are deemed to be monopolies, specifically the family of Windows operating systems.

Microsoft can (and arguably should) retain full proprietary and exclusive rights to their software. Publishing the source code will allow others (including future department of Justice investigators) to inspect these products for evidence as to whether Microsoft has been using their absolute power over these products to extend their monopolies and reduce choice and raise prices to consumers.

The old saying "power corrupts, and absolute power corrupts absolutely" is applicable in Microsoft's case. They are the only ones who know what goes on inside, and have the exclusive ability to arbitrarily change products that own monopoly positions in the market such as Windows. They will use, and have used, this power to force

consumers to behave in ways that benefit Microsoft corporation at the expense of consumers and other suppliers in the market. The only way to ensure they do not continue to behave this way in the future is to hold them accountable. The only way to make them accountable is to enable inspection of the code that has monopoly control over the PC market.

Please do not hesitate to contact me if you have any questions about this letter or the ideas it contains.

Sincerely,

Bob Young,

CEO, Lulu, Inc., (919) 833-5858, or bob@lulu.com, www.lulu.com